

In the Senate of the United States,

November 3, 2003.

Resolved, That the bill from the House of Representatives (H.R. 3365) entitled “An Act to amend title 10, United States Code, and the Internal Revenue Code of 1986 to increase the death gratuity payable with respect to deceased members of the Armed Forces and to exclude such gratuity from gross income.”, do pass with the following

AMENDMENTS:

Strike out all after the enacting clause and insert:

1 ***SECTION 1. SHORT TITLE, ETC.***

2 (a) *SHORT TITLE*.—*This Act may be cited as the*

3 *“Military Family Tax Relief Act of 2003”*.

1 (b) *AMENDMENT OF 1986 CODE.*—*Except as otherwise*
 2 *expressly provided, whenever in this Act an amendment or*
 3 *repeal is expressed in terms of an amendment to, or repeal*
 4 *of, a section or other provision, the reference shall be consid-*
 5 *ered to be made to a section or other provision of the Inter-*
 6 *nal Revenue Code of 1986.*

7 (c) *TABLE OF CONTENTS.*—

Sec. 1. Short title, etc.

TITLE I—IMPROVING TAX EQUITY FOR MILITARY PERSONNEL

Sec. 101. Exclusion of gain from sale of a principal residence by a member of the uniformed services or the Foreign Service.

Sec. 102. Treatment of death gratuities payable with respect to deceased members of the Armed Forces.

Sec. 103. Exclusion for amounts received under Department of Defense homeowners assistance program.

Sec. 104. Expansion of combat zone filing rules to contingency operations.

Sec. 105. Modification of membership requirement for exemption from tax for certain veterans' organizations.

Sec. 106. Clarification of the treatment of certain dependent care assistance programs.

Sec. 107. Clarification relating to exception from additional tax on certain distributions from qualified tuition programs, etc. on account of attendance at military academy.

Sec. 108. Suspension of tax-exempt status of terrorist organizations.

Sec. 109. Above-the-line deduction for overnight travel expenses of National Guard and Reserve members.

Sec. 110. Tax relief and assistance for families of Space Shuttle Columbia heroes.

TITLE II—REVENUE PROVISION

Sec. 201. Extension of customs user fees.

1 **TITLE I—IMPROVING TAX EQ-**
 2 **UITY FOR MILITARY PER-**
 3 **SONNEL**

4 **SEC. 101. EXCLUSION OF GAIN FROM SALE OF A PRINCIPAL**
 5 **RESIDENCE BY A MEMBER OF THE UNI-**
 6 **FORMED SERVICES OR THE FOREIGN SERV-**
 7 **ICE.**

8 *(a) IN GENERAL.—Subsection (d) of section 121 (relat-*
 9 *ing to exclusion of gain from sale of principal residence)*
 10 *is amended by redesignating paragraph (9) as paragraph*
 11 *(10) and by inserting after paragraph (8) the following new*
 12 *paragraph:*

13 *“(9) MEMBERS OF UNIFORMED SERVICES AND*
 14 *FOREIGN SERVICE.—*

15 *“(A) IN GENERAL.—At the election of an*
 16 *individual with respect to a property, the run-*
 17 *ning of the 5-year period described in subsections*
 18 *(a) and (c)(1)(B) and paragraph (7) of this sub-*
 19 *section with respect to such property shall be sus-*
 20 *pended during any period that such individual*
 21 *or such individual’s spouse is serving on quali-*
 22 *fied official extended duty as a member of the*
 23 *uniformed services or of the Foreign Service of*
 24 *the United States.*

1 “(B) *MAXIMUM PERIOD OF SUSPENSION.*—
 2 *The 5-year period described in subsection (a)*
 3 *shall not be extended more than 10 years by rea-*
 4 *son of subparagraph (A).*

5 “(C) *QUALIFIED OFFICIAL EXTENDED*
 6 *DUTY.*—*For purposes of this paragraph—*

7 “(i) *IN GENERAL.*—*The term ‘qualified*
 8 *official extended duty’ means any extended*
 9 *duty while serving at a duty station which*
 10 *is at least 50 miles from such property or*
 11 *while residing under Government orders in*
 12 *Government quarters.*

13 “(ii) *UNIFORMED SERVICES.*—*The*
 14 *term ‘uniformed services’ has the meaning*
 15 *given such term by section 101(a)(5) of title*
 16 *10, United States Code, as in effect on the*
 17 *date of the enactment of this paragraph.*

18 “(iii) *FOREIGN SERVICE OF THE*
 19 *UNITED STATES.*—*The term ‘member of the*
 20 *Foreign Service of the United States’ has*
 21 *the meaning given the term ‘member of the*
 22 *Service’ by paragraph (1), (2), (3), (4), or*
 23 *(5) of section 103 of the Foreign Service Act*
 24 *of 1980, as in effect on the date of the enact-*
 25 *ment of this paragraph.*

1 “(iv) *EXTENDED DUTY.*—The term ‘ex-
 2 tended duty’ means any period of active
 3 duty pursuant to a call or order to such
 4 duty for a period in excess of 90 days or for
 5 an indefinite period.

6 “(D) *SPECIAL RULES RELATING TO ELEC-*
 7 *TION.*—

8 “(i) *ELECTION LIMITED TO 1 PROP-*
 9 *ERTY AT A TIME.*—An election under sub-
 10 paragraph (A) with respect to any property
 11 may not be made if such an election is in
 12 effect with respect to any other property.

13 “(ii) *REVOCATION OF ELECTION.*—An
 14 election under subparagraph (A) may be re-
 15 voked at any time.”.

16 (b) *EFFECTIVE DATE; SPECIAL RULE.*—

17 (1) *EFFECTIVE DATE.*—The amendments made
 18 by this section shall take effect as if included in the
 19 amendments made by section 312 of the Taxpayer Re-
 20 lief Act of 1997.

21 (2) *WAIVER OF LIMITATIONS.*—If refund or cred-
 22 it of any overpayment of tax resulting from the
 23 amendments made by this section is prevented at any
 24 time before the close of the 1-year period beginning on
 25 the date of the enactment of this Act by the operation

1 of any law or rule of law (including *res judicata*),
 2 such refund or credit may nevertheless be made or al-
 3 lowed if claim therefor is filed before the close of such
 4 period.

5 **SEC. 102. TREATMENT OF DEATH GRATUITIES PAYABLE**
 6 **WITH RESPECT TO DECEASED MEMBERS OF**
 7 **THE ARMED FORCES.**

8 (a) *INCREASE IN AMOUNT OF DEATH GRATUITY.*—

9 (1) *IN GENERAL.*—Section 1478(a) of title 10,
 10 United States Code, is amended by striking “\$6,000”
 11 and inserting “\$12,000”.

12 (2) *EFFECTIVE DATE.*—The amendment made by
 13 this subsection shall take effect as of September 11,
 14 2001, and shall apply with respect to deaths occur-
 15 ring on or after that date.

16 (b) *EXCLUSION FROM GROSS INCOME.*—

17 (1) *IN GENERAL.*—Subsection (b)(3) of section
 18 134 (relating to certain military benefits) is amended
 19 by adding at the end the following new subparagraph:

20 “(C) *EXCEPTION FOR DEATH GRATUITY AD-*
 21 *JUSTMENTS MADE BY LAW.*—Subparagraph (A)
 22 shall not apply to any adjustment to the amount
 23 of death gratuity payable under chapter 75 of
 24 title 10, United States Code, which is pursuant

1 to a provision of law enacted after September 9,
2 1986.”.

3 (2) *CONFORMING AMENDMENT.*—Subparagraph
4 (A) of section 134(b)(3) is amended by striking “sub-
5 paragraph (B)” and inserting “subparagraphs (B)
6 and (C)”.

7 (3) *EFFECTIVE DATE.*—The amendments made
8 by this subsection shall apply with respect to deaths
9 occurring after September 10, 2001.

10 **SEC. 103. EXCLUSION FOR AMOUNTS RECEIVED UNDER DE-**
11 **PARTMENT OF DEFENSE HOMEOWNERS AS-**
12 **SISTANCE PROGRAM.**

13 (a) *IN GENERAL.*—Section 132(a) (relating to the ex-
14 clusion from gross income of certain fringe benefits) is
15 amended by striking “or” at the end of paragraph (6), by
16 striking the period at the end of paragraph (7) and insert-
17 ing “, or”, and by adding at the end the following new
18 paragraph:

19 “(8) qualified military base realignment and clo-
20 sure fringe.”.

21 (b) *QUALIFIED MILITARY BASE REALIGNMENT AND*
22 *CLOSURE FRINGE.*—Section 132 is amended by redesign-
23 ating subsection (n) as subsection (o) and by inserting
24 after subsection (m) the following new subsection:

1 “(n) *QUALIFIED MILITARY BASE REALIGNMENT AND*
 2 *CLOSURE FRINGE.*—*For purposes of this section—*

3 “(1) *IN GENERAL.*—*The term ‘qualified military*
 4 *base realignment and closure fringe’ means 1 or more*
 5 *payments under the authority of section 1013 of the*
 6 *Demonstration Cities and Metropolitan Development*
 7 *Act of 1966 (42 U.S.C. 3374) (as in effect on the date*
 8 *of the enactment of this subsection) to offset the ad-*
 9 *verse effects on housing values as a result of a mili-*
 10 *tary base realignment or closure.*

11 “(2) *LIMITATION.*—*With respect to any property,*
 12 *such term shall not include any payment referred to*
 13 *in paragraph (1) to the extent that the sum of all of*
 14 *such payments related to such property exceeds the*
 15 *maximum amount described in clause (1) of sub-*
 16 *section (c) of such section (as in effect on such date).’.*

17 “(c) *EFFECTIVE DATE.*—*The amendments made by this*
 18 *section shall apply to payments made after the date of the*
 19 *enactment of this Act.*

20 **SEC. 104. EXPANSION OF COMBAT ZONE FILING RULES TO**
 21 **CONTINGENCY OPERATIONS.**

22 “(a) *IN GENERAL.*—*Section 7508(a) (relating to time*
 23 *for performing certain acts postponed by reason of service*
 24 *in combat zone) is amended—*

1 (1) by inserting “, or when deployed outside the
 2 United States away from the individual’s permanent
 3 duty station while participating in an operation des-
 4 ignated by the Secretary of Defense as a contingency
 5 operation (as defined in section 101(a)(13) of title 10,
 6 United States Code) or which became such a contin-
 7 gency operation by operation of law” after “section
 8 112”,

9 (2) by inserting in the first sentence “or at any
 10 time during the period of such contingency operation”
 11 after “for purposes of such section”,

12 (3) by inserting “or operation” after “such an
 13 area”, and

14 (4) by inserting “or operation” after “such
 15 area”.

16 (b) *CONFORMING AMENDMENTS.*—

17 (1) Section 7508(d) is amended by inserting “or
 18 contingency operation” after “area”.

19 (2) The heading for section 7508 is amended by
 20 inserting “**OR CONTINGENCY OPERATION**” after
 21 “**COMBAT ZONE**”.

22 (3) The item relating to section 7508 in the table
 23 of sections for chapter 77 is amended by inserting “or
 24 contingency operation” after “combat zone”.

1 (c) *EFFECTIVE DATE.*—*The amendments made by this*
 2 *section shall apply to any period for performing an act*
 3 *which has not expired before the date of the enactment of*
 4 *this Act.*

5 **SEC. 105. MODIFICATION OF MEMBERSHIP REQUIREMENT**
 6 **FOR EXEMPTION FROM TAX FOR CERTAIN**
 7 **VETERANS' ORGANIZATIONS.**

8 (a) *IN GENERAL.*—*Subparagraph (B) of section*
 9 *501(c)(19) (relating to list of exempt organizations) is*
 10 *amended by striking “or widowers” and inserting “, wid-*
 11 *owers, ancestors, or lineal descendants”.*

12 (b) *EFFECTIVE DATE.*—*The amendments made by this*
 13 *section shall apply to taxable years beginning after the date*
 14 *of the enactment of this Act.*

15 **SEC. 106. CLARIFICATION OF THE TREATMENT OF CERTAIN**
 16 **DEPENDENT CARE ASSISTANCE PROGRAMS.**

17 (a) *IN GENERAL.*—*Section 134(b) (defining qualified*
 18 *military benefit) is amended by adding at the end the fol-*
 19 *lowing new paragraph:*

20 “(4) *CLARIFICATION OF CERTAIN BENEFITS.*—
 21 *For purposes of paragraph (1), such term includes*
 22 *any dependent care assistance program (as in effect*
 23 *on the date of the enactment of this paragraph) for*
 24 *any individual described in paragraph (1)(A).”.*

25 (b) *CONFORMING AMENDMENTS.*—

1 (1) *Section 134(b)(3)(A), as amended by section*
 2 *102, is amended by inserting “and paragraph (4)”*
 3 *after “subparagraphs (B) and (C)”.*

4 (2) *Section 3121(a)(18) is amended by striking*
 5 *“or 129” and inserting “, 129, or 134(b)(4)”.*

6 (3) *Section 3306(b)(13) is amended by striking*
 7 *“or 129” and inserting “, 129, or 134(b)(4)”.*

8 (4) *Section 3401(a)(18) is amended by striking*
 9 *“or 129” and inserting “, 129, or 134(b)(4)”.*

10 (c) *EFFECTIVE DATE.*—*The amendments made by this*
 11 *section shall apply to taxable years beginning after Decem-*
 12 *ber 31, 2002.*

13 (d) *NO INFERENCE.*—*No inference may be drawn from*
 14 *the amendments made by this section with respect to the*
 15 *tax treatment of any amounts under the program described*
 16 *in section 134(b)(4) of the Internal Revenue Code of 1986*
 17 *(as added by this section) for any taxable year beginning*
 18 *before January 1, 2003.*

19 **SEC. 107. CLARIFICATION RELATING TO EXCEPTION FROM**
 20 **ADDITIONAL TAX ON CERTAIN DISTRIBUTIONS FROM QUALIFIED TUITION PROGRAMS,**
 21 **ETC. ON ACCOUNT OF ATTENDANCE AT MILI-**
 22 **TARY ACADEMY.**
 23

24 (a) *IN GENERAL.*—*Subparagraph (B) of section*
 25 *530(d)(4) (relating to exceptions from additional tax for*

1 *distributions not used for educational purposes) is amended*
 2 *by striking “or” at the end of clause (iii), by redesignating*
 3 *clause (iv) as clause (v), and by inserting after clause (iii)*
 4 *the following new clause:*

5 “(iv) made on account of the attend-
 6 ance of the designated beneficiary at the
 7 United States Military Academy, the
 8 United States Naval Academy, the United
 9 States Air Force Academy, the United
 10 States Coast Guard Academy, or the United
 11 States Merchant Marine Academy, to the
 12 extent that the amount of the payment or
 13 distribution does not exceed the costs of ad-
 14 vanced education (as defined by section
 15 2005(e)(3) of title 10, United States Code,
 16 as in effect on the date of the enactment of
 17 this section) attributable to such attendance,
 18 or”.

19 (b) *EFFECTIVE DATE.*—The amendments made by this
 20 section shall apply to taxable years beginning after Decem-
 21 ber 31, 2002.

22 **SEC. 108. SUSPENSION OF TAX-EXEMPT STATUS OF TER-**
 23 **RORIST ORGANIZATIONS.**

24 (a) *IN GENERAL.*—Section 501 (relating to exemption
 25 from tax on corporations, certain trusts, etc.) is amended

1 *by redesignating subsection (p) as subsection (q) and by in-*
 2 *serting after subsection (o) the following new subsection:*

3 “(p) *SUSPENSION OF TAX-EXEMPT STATUS OF TER-*
 4 *RORIST ORGANIZATIONS.—*

5 “(1) *IN GENERAL.—The exemption from tax*
 6 *under subsection (a) with respect to any organization*
 7 *described in paragraph (2), and the eligibility of any*
 8 *organization described in paragraph (2) to apply for*
 9 *recognition of exemption under subsection (a), shall*
 10 *be suspended during the period described in para-*
 11 *graph (3).*

12 “(2) *TERRORIST ORGANIZATIONS.—An organiza-*
 13 *tion is described in this paragraph if such organiza-*
 14 *tion is designated or otherwise individually*
 15 *identified—*

16 “(A) *under section 212(a)(3)(B)(vi)(II) or*
 17 *219 of the Immigration and Nationality Act as*
 18 *a terrorist organization or foreign terrorist orga-*
 19 *nization,*

20 “(B) *in or pursuant to an Executive order*
 21 *which is related to terrorism and issued under*
 22 *the authority of the International Emergency*
 23 *Economic Powers Act or section 5 of the United*
 24 *Nations Participation Act of 1945 for the pur-*

pose of imposing on such organization an economic or other sanction, or

“(C) in or pursuant to an Executive order issued under the authority of any Federal law if—

“(i) the organization is designated or otherwise individually identified in or pursuant to such Executive order as supporting or engaging in terrorist activity (as defined in section 212(a)(3)(B) of the Immigration and Nationality Act) or supporting terrorism (as defined in section 140(d)(2) of the Foreign Relations Authorization Act, Fiscal Years 1988 and 1989); and

“(ii) such Executive order refers to this subsection.

“(3) *PERIOD OF SUSPENSION.*—With respect to any organization described in paragraph (2), the period of suspension—

“(A) begins on the later of—

“(i) the date of the first publication of a designation or identification described in paragraph (2) with respect to such organization, or

1 “(ii) the date of the enactment of this
2 subsection, and

3 “(B) ends on the first date that all designa-
4 tions and identifications described in paragraph
5 (2) with respect to such organization are re-
6 scinded pursuant to the law or Executive order
7 under which such designation or identification
8 was made.

9 “(4) *DENIAL OF DEDUCTION*.—No deduction
10 shall be allowed under any provision of this title, in-
11 cluding sections 170, 545(b)(2), 556(b)(2), 642(c),
12 2055, 2106(a)(2), and 2522, with respect to any con-
13 tribution to an organization described in paragraph
14 (2) during the period described in paragraph (3).

15 “(5) *DENIAL OF ADMINISTRATIVE OR JUDICIAL*
16 *CHALLENGE OF SUSPENSION OR DENIAL OF DEDUC-*
17 *TION*.—Notwithstanding section 7428 or any other
18 provision of law, no organization or other person may
19 challenge a suspension under paragraph (1), a des-
20 ignation or identification described in paragraph (2),
21 the period of suspension described in paragraph (3),
22 or a denial of a deduction under paragraph (4) in
23 any administrative or judicial proceeding relating to
24 the Federal tax liability of such organization or other
25 person.

1 “(6) *ERRONEOUS DESIGNATION.*—

2 “(A) *IN GENERAL.*—If—

3 “(i) *the tax exemption of any organi-*
 4 *zation described in paragraph (2) is sus-*
 5 *pended under paragraph (1),*

6 “(ii) *each designation and identifica-*
 7 *tion described in paragraph (2) which has*
 8 *been made with respect to such organization*
 9 *is determined to be erroneous pursuant to*
 10 *the law or Executive order under which*
 11 *such designation or identification was*
 12 *made, and*

13 “(iii) *the erroneous designations and*
 14 *identifications result in an overpayment of*
 15 *income tax for any taxable year by such or-*
 16 *ganization,*

17 *credit or refund (with interest) with respect to*
 18 *such overpayment shall be made.*

19 “(B) *WAIVER OF LIMITATIONS.*—If the cred-
 20 *it or refund of any overpayment of tax described*
 21 *in subparagraph (A)(iii) is prevented at any*
 22 *time by the operation of any law or rule of law*
 23 *(including res judicata), such credit or refund*
 24 *may nevertheless be allowed or made if the claim*
 25 *therefor is filed before the close of the 1-year pe-*

1 riod beginning on the date of the last determina-
2 tion described in subparagraph (A)(ii).

3 “(7) NOTICE OF SUSPENSIONS.—If the tax ex-
4 emption of any organization is suspended under this
5 subsection, the Internal Revenue Service shall update
6 the listings of tax-exempt organizations and shall
7 publish appropriate notice to taxpayers of such sus-
8 pension and of the fact that contributions to such or-
9 ganization are not deductible during the period of
10 such suspension.”.

11 (b) EFFECTIVE DATE.—The amendments made by this
12 section shall apply to designations made before, on, or after
13 the date of the enactment of this Act.

14 **SEC. 109. ABOVE-THE-LINE DEDUCTION FOR OVERNIGHT**
15 **TRAVEL EXPENSES OF NATIONAL GUARD AND**
16 **RESERVE MEMBERS.**

17 (a) DEDUCTION ALLOWED.—Section 162 (relating to
18 certain trade or business expenses) is amended by redesign-
19 ing subsection (p) as subsection (q) and inserting after
20 subsection (o) the following new subsection:

21 “(p) TREATMENT OF EXPENSES OF MEMBERS OF RE-
22 SERVE COMPONENT OF ARMED FORCES OF THE UNITED
23 STATES.—For purposes of subsection (a)(2), in the case of
24 an individual who performs services as a member of a re-
25 serve component of the Armed Forces of the United States

1 *at any time during the taxable year, such individual shall*
 2 *be deemed to be away from home in the pursuit of a trade*
 3 *or business for any period during which such individual*
 4 *is away from home in connection with such service.”.*

5 (b) *DEDUCTION ALLOWED WHETHER OR NOT TAX-*
 6 *PAYER ELECTS TO ITEMIZE.*—Section 62(a)(2) (relating to
 7 *certain trade and business deductions of employees*) is
 8 *amended by adding at the end the following new subpara-*
 9 *graph:*

10 “(E) *CERTAIN EXPENSES OF MEMBERS OF*
 11 *RESERVE COMPONENTS OF THE ARMED FORCES*
 12 *OF THE UNITED STATES.*—The deductions al-
 13 *lowed by section 162 which consist of expenses,*
 14 *determined at a rate not in excess of the rates for*
 15 *travel expenses (including per diem in lieu of*
 16 *subsistence) authorized for employees of agencies*
 17 *under subchapter I of chapter 57 of title 5,*
 18 *United States Code, paid or incurred by the tax-*
 19 *payer in connection with the performance of*
 20 *services by such taxpayer as a member of a re-*
 21 *serve component of the Armed Forces of the*
 22 *United States for any period during which such*
 23 *individual is more than 100 miles away from*
 24 *home in connection with such services.”.*

1 (c) *EFFECTIVE DATE.*—*The amendments made by this*
 2 *section shall apply to amounts paid or incurred in taxable*
 3 *years beginning after December 31, 2002.*

4 **SEC. 110. TAX RELIEF AND ASSISTANCE FOR FAMILIES OF**
 5 **SPACE SHUTTLE COLUMBIA HEROES.**

6 (a) *INCOME TAX RELIEF.*—

7 (1) *IN GENERAL.*—*Subsection (d) of section 692*
 8 *(relating to income taxes of members of Armed Forces*
 9 *and victims of certain terrorist attacks on death) is*
 10 *amended by adding at the end the following new*
 11 *paragraph:*

12 “(5) *RELIEF WITH RESPECT TO ASTRONAUTS.*—
 13 *The provisions of this subsection shall apply to any*
 14 *astronaut whose death occurs in the line of duty, ex-*
 15 *cept that paragraph (3)(B) shall be applied by using*
 16 *the date of the death of the astronaut rather than Sep-*
 17 *tember 11, 2001.”.*

18 (2) *CONFORMING AMENDMENTS.*—

19 (A) *Section 5(b)(1) is amended by inserting*
 20 *“, astronauts,” after “Forces”.*

21 (B) *Section 6013(f)(2)(B) is amended by*
 22 *inserting “, astronauts,” after “Forces”.*

23 (3) *CLERICAL AMENDMENTS.*—

1 (A) *The heading of section 692 is amended*
 2 *by inserting “, **ASTRONAUTS,**” after*
 3 *“**FORCES**”.*

4 (B) *The item relating to section 692 in the*
 5 *table of sections for part II of subchapter J of*
 6 *chapter 1 is amended by inserting “, astro-*
 7 *nauts,” after “Forces”.*

8 (4) *EFFECTIVE DATE.—The amendments made*
 9 *by this subsection shall apply with respect to any as-*
 10 *tronaut whose death occurs after December 31, 2002.*

11 (b) *DEATH BENEFIT RELIEF.—*

12 (1) *IN GENERAL.—Subsection (i) of section 101*
 13 *(relating to certain death benefits) is amended by*
 14 *adding at the end the following new paragraph:*

15 “*(4) RELIEF WITH RESPECT TO ASTRONAUTS.—*
 16 *The provisions of this subsection shall apply to any*
 17 *astronaut whose death occurs in the line of duty.”.*

18 (2) *CLERICAL AMENDMENT.—The heading for*
 19 *subsection (i) of section 101 is amended by inserting*
 20 *“OR ASTRONAUTS” after “VICTIMS”.*

21 (3) *EFFECTIVE DATE.—The amendments made*
 22 *by this subsection shall apply to amounts paid after*
 23 *December 31, 2002, with respect to deaths occurring*
 24 *after such date.*

25 (c) *ESTATE TAX RELIEF.—*

1 (1) *IN GENERAL.*—Section 2201(b) (defining
2 *qualified decedent*) is amended by striking “and” at
3 the end of paragraph (1)(B), by striking the period
4 at the end of paragraph (2) and inserting “, and”,
5 and by adding at the end the following new para-
6 graph:

7 “(3) any astronaut whose death occurs in the
8 line of duty.”.

9 (2) *CLERICAL AMENDMENTS.*—

10 (A) The heading of section 2201 is amended
11 by inserting “, **DEATHS OF ASTRONAUTS**,”
12 after “**FORCES**”.

13 (B) The item relating to section 2201 in the
14 table of sections for subchapter C of chapter 11
15 is amended by inserting “, deaths of astronauts,”
16 after “Forces”.

17 (3) *EFFECTIVE DATE.*—The amendments made
18 by this subsection shall apply to estates of decedents
19 dying after December 31, 2002.

20 **TITLE II—REVENUE PROVISION**

21 **SEC. 201. EXTENSION OF CUSTOMS USER FEES.**

22 Section 13031(j)(3) of the Consolidated Omnibus
23 Budget Reconciliation Act of 1985 (19 U.S.C. 58c(j)(3)) is
24 amended by striking “March 31, 2004” and inserting
25 “March 1, 2005”.

Amend the title so as to read: “An Act to amend title 10, United States Code, and the Internal Revenue Code of 1986 to increase the death gratuity payable with respect to deceased members of the Armed Forces and to exclude such gratuity from gross income, to provide additional tax relief for members of the Armed Forces and their families, and for other purposes.”.

Attest:

Secretary.

108TH CONGRESS
1ST SESSION

H. R. 3365

AMENDMENTS